

## HOUSE BILL NO. 569

INTRODUCED BY B. HANDS

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR THE TRANSFER OF FUNDS FROM THE STATE GENERAL FUND TO THE AFFORDABLE HOUSING REVOLVING LOAN ACCOUNT; AND PROVIDING AN EFFECTIVE DATE."

WHEREAS, between 2003 and 2006, the Montana economy averaged an annual growth rate of 6.7%; and

WHEREAS, in 2007, despite that economic growth, Montana ranked at the bottom of the nation in terms of average wages; and

WHEREAS, growth of the state workforce is hindered by a lack of affordable housing; and

WHEREAS, housing is considered affordable when housing costs are no more than 30% of the annual income of a household; and

WHEREAS, the gap between median household income and median housing costs for both homeowners and renters continues to widen; and

WHEREAS, the statewide foreclosure rate increased by 25% from September 2007 to September 2008; and

WHEREAS, a shortage of affordable housing leads to an increase in homelessness and increased social costs for a community; and

WHEREAS, for the first time, in 2007 over 50% of the homeless in Montana were families; and

WHEREAS, a recent study in Billings found that the community spent over \$31 million in 1 year to meet the needs of its homeless; and

WHEREAS, the housing Montana fund is a valuable resource to help improve the availability of affordable housing by providing funds for the development, conservation, and preservation of low-income and moderate-income housing; and

WHEREAS, it is critically important to financially support the mission of the housing Montana fund to help increase the availability of affordable housing, especially as it relates to other important components of Montana's future, including workforce, economic, energy, and infrastructure development.

1 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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3 NEW SECTION. **Section 1. Fund transfer.** At the beginning of the 2011 biennium only, the amount  
4 of \$10 million is transferred from the state general fund to the housing Montana fund provided for in 90-6-133.

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6 NEW SECTION. **Section 2. Effective date.** [This act] is effective July 1, 2009.

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